

KULA NEI PARTNERS LLC
2697 Waiomao Road
Honolulu, HI 96816
73-4529 Kohanaiki Road #8
Kailua-Kona, HI 96740

December 4, 2017

Mr. Daniel K. Orodener
Executive Officer
State of Hawaii Land Use Commission
P.O. Box 2359
Honolulu, HI 96804-2359

SUBJECT: NOTIFICATION OF ZONING CHANGE REQUEST

Dear Mr. Orodener,

My name is Robert E. Lee Jr., Co Manager of Kula Nei Partners LLC.

Kula Nei Partners LLC ("KNP") is member managed Hawaii LLC, formed in 2014. KNP's operating agreement allows either of the two co-managers to sign and execute in behalf of KNP.

KNP acquired the Petitioned area of the subject docket via Limited Warranty Deed from Central Pacific Bank on December 9, 2014. This transaction was recorded in the Bureau of Conveyances on December 15, 2014.

Since acquisition of the petitioned area in 2014, KNP has assessed the feasibility of implementing the project as represented to the Commission and has preliminarily determined that the best use of the land is to integrate uses which are more compatible with the significant cultural and natural resources that predominate the existing landscape. To that end, KNP has proceeded thus far as if the petitioned area was reverted back to its original Agricultural classification, but have recently confirmed otherwise.

It is our understanding that Condition No. 1 of Docket A06-770 (Order to Show Cause) is in three (3) parts. Condition 1(A) provides that the proposed project be developed as represented to the Commission within 10 years of the date of the decision and order, or Condition 1 (B) provides that substantial progress, meaning commencement of construction by 2011, if necessary County approvals have been obtained, or in any event no later than five years from the issuance of the decision and order (October, 2013). Condition 1 (C) refers to failure to perform a condition of approval or a representation or commitment made on the part of the Petitioner.

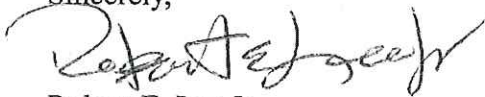
When KNP acquired the petitioned area from Central Pacific Bank in 2014, we were obviously aware that very little actual construction activity had commenced on the property. From our standpoint, we believe that this was, in actuality, a good thing because of the significant archaeological sites and dry land forest that is in evidence throughout the petitioned area. We are thus liberally interpreting Condition No. 1(A) as giving KNP until October, 2018 to be in compliance with the Commission's decision and order, and by which time KNP will, in all probability, request that the petitioned area or portions of

the petitioned area be reverted to its original or more appropriate classification.

At this time, it is the intention of KNP to immediately rescind the current zoning classification of the Petitioned area, and requests that the Petitioned area be reverted to its original Agricultural classification as soon as possible. The significant archeological and natural resources in the area and our plans to preserve these sites have been the catalyst for our current development design and it is our intention to move forward directly. The preservation of these cultural sites and our intention to donate a large portion of the property to a cultural foundation to ensure that they remain intact and undisturbed is also noted in our design plan.

I will be happy to meet with you to further explore what options are available to KNP as we go forward with a new approach to the best utilization of the subject property.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Lee Jr.", written in a cursive style.

Robert E. Lee Jr.

Co-Manager, Kula Nei Partners LLC

cc Kula Nei Partners LLC (Honolulu)